

## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

June 3, 1997



## ALL-COUNTY INFORMATION NOTICE

I-34-97

TO: ALL COUNTY WELFARE DIRECTORS

## REASON FOR THIS TRANSMITTAL

- State Law Change  
 Federal Law or Regulation  
           Change  
 Court Order  
 Clarification Requested by  
           One or More Counties  
 Initiated by CDSS

SUBJECT: FOOD STAMP CORRECTIVE ACTION PLAN

Attached for your information is a copy of California's Federal Fiscal Year (FFY) 1996 Food Stamp (FS) Corrective Action Plan which was sent to the Food and Consumer Service (FCS), as required by federal regulations.

The State Original Error Rate (SOER) findings of quality control payment errors for FFY 1996, (October 1995 through September 1996) was 9.1 percent. This error rate includes issuances to ineligible, overissuance errors and underissuance errors. The FFY 1996 SOER of 9.1 percent is unchanged from the FFY 1995 review period of October 1994 through September 1995. The final federal FS error rate for FFY 1996 will not be available from the FCS until June 30, 1997 but is anticipated to be 9.2 percent. We anticipated that the state 9.2 percent error rate will be below the national average error rate and California will not be subject to a fiscal sanction for FFY 1996.

Part I of this plan is an overview of state level error reduction activities. Part II discusses county error rate data for the 19 County Performance Sample counties and provides an overview of their error reduction efforts.

We appreciate the work and attention you have directed toward accuracy improvement in the FS program. We will make every effort to assist you in maintaining FS error rates at the lowest possible levels.

If you have any comments or questions about this plan, please contact Mr. Ron Thoreson, Chief, Operations Improvement Bureau at (916) 445-2154.

BRUCE WAGSTAFF  
Deputy Director  
Welfare Programs Division

Attachment

c: CWDA

**FOOD STAMP PROGRAM  
CORRECTIVE ACTION PLAN**

**October 1995 - September 1996**

**CALIFORNIA DEPARTMENT OF  
SOCIAL SERVICES**

# TABLE OF CONTENTS

**Page**

**INTRODUCTION** ..... i

**PART I. STATE LEVEL ACCURACY IMPROVEMENT**

1. Error Rate Data Analysis ..... 1

2. Overview of State Accuracy Improvement  
Activities ..... 8

3. Status of Prior Corrective Actions ..... 11

**PART II. COUNTY LEVEL ACCURACY IMPROVEMENT**

1. Individual County Error Rates ..... 17

2. Overview of County Accuracy Improvement  
Activities ..... 19

## INTRODUCTION

In accordance with Title 7, Code of Federal Regulations, Part 275.17, this document provides California's Corrective Action Plan (CAP) for reducing errors in the Food Stamp (FS) Program to the Food and Consumer Service (FCS).

The CAP is in two parts. Part I consists of the statewide error rate data analysis of the federal quality control (QC) sample for the review period of October 1995 through September 1996. An overview of state level accuracy improvement activities is also included in this part.

Part II reports individual county level error rates and corrective actions. It includes county error information based on QC reviews conducted by the 19 County Performance Sample (CPS) counties for the review period October 1995 through September 1996. This overview section highlights areas individual counties are currently working on to reduce errors. These examples are from the individual county CAPs which are on file in the Operations Improvement Bureau (OIB). They include:

- reducing underissuance errors by eliminating the "zero out" option and allowing client reported shelter costs as permitted by federal regulations;
- attempting to provide more uninterrupted time to eligibility workers by developing public contact workers or units to deal with "walk in" clients; and
- concentrating on worker failure to act on reported information as a source of errors.

**PART I**

**STATE LEVEL ACCURACY IMPROVEMENT**

## 1. ERROR RATE DATA ANALYSIS

For the Federal Fiscal Year (FFY) 1996 (October 1995 through September 1996), California's State *original* FS combined payment error rate (CPER), which includes issuances to Ineligibles errors, Overissuance errors and Underissuance errors, was 9.1 percent. These findings are based on a QC sample size of 1,452 cases. The *final* federal CPER for FFY 1996 for California, including the results of federal rereview of cases, is not yet available but is estimated to be approximately 9.2 percent. The national average CPER for FFY 1996 is also not yet available.

Figures and analysis for FS error concentrations, cause distributions, and negative error rate findings can be found on the following charts:

- Chart 1 Food Stamp Payment and Case Error Rates--Original State Findings
- Chart 2 Food Stamp Error Concentrations--Dollar Amounts
- Chart 3 Food Stamp Error Concentrations--Case Counts
- Chart 4 Food Stamp Case and Dollar Errors--Agency/Client Distributions
- Chart 5 Food Stamp Case and Dollar Errors--Agency/Client-Caused Distributions
- Chart 6 Food Stamp Negative Error Rate--Original State Findings

CHART 1

FOOD STAMP PAYMENT AND CASE ERROR RATES  
ORIGINAL STATE FINDINGS

<u>Period</u>	<u>Ineligibles and Overissuances</u>			<u>Underissuances</u>			<u>Ineligibles, Overissuances And Underissuances</u>		
	<u>Payment Error</u>	<u>Case Error</u>	<u>Payment Error</u>	<u>Case Error</u>	<u>Payment Error</u>	<u>Case Error</u>	<u>Payment Error</u>	<u>Case Error</u>	<u>Case Error</u>
April 1990 - September 1990	8.6	16.0	4.0	12.8	12.6	12.8	12.6	28.8	28.8
October 1990 - March 1991	6.5	14.3	3.6	12.2	10.1	12.2	10.1	26.5	26.5
April 1991 - September 1991	6.2	15.3	3.5	11.7	9.7	11.7	9.7	27.0	27.0
October 1991 - March 1992	5.3	12.8	3.5	13.0	8.8	13.0	8.8	25.8	25.8
April 1992 - September 1992	7.1	15.7	3.6	14.8	10.7	14.8	10.7	30.5	30.5
*October 1992 - September 1993	5.6	15.4	3.3	12.8	8.9	12.8	8.9	28.2	28.2
*October 1993 - September 1994	6.0	15.5	3.8	12.9	9.8	12.9	9.8	28.4	28.4
*October 1994 - September 1995	6.0	14.3	3.1	11.6	9.1	11.6	9.1	25.9	25.9
*October 1995 - September 1996	5.8	15.6	3.3	13.9	9.1	13.9	9.1	29.5	29.5
*Annual Data									

This CPER is unchanged from the FFY 1995 review period of October 1994 through September 1995. However, the case error rate showed a slight increase from 25.9 percent to 29.5 percent for this review period. Case errors for Underissuances increased at almost double the rate for Ineligibles and Overissuances.

FOOD STAMP ERROR CONCENTRATIONS--DOLLAR AMOUNTS  
October 1995 - September 1996

Error Element	Ineligibles and Overissuances			Underissuances			Ineligibles, Overissuances And Underissuances		
	(a)	(b)	(c)	(a)	(b)	(c)	(a)	(b)	(c)
1. Wages and Salaries	44.44	2.59	66,333,502	18.53	0.61	15,561,074	35.09	3.20	81,894,576
2. Shelter Deduction	12.29	0.72	18,344,706	23.31	0.76	19,575,210	16.27	1.48	37,919,916
3. Household Composition	11.38	0.66	16,986,392	23.45	0.77	19,692,779	15.74	1.43	36,679,171
4. Vehicles	7.35	0.43	10,971,000				4.70	0.43	10,971,000
5. RSDI Benefits	4.36	0.25	6,507,967	3.29	0.11	2,762,867	3.98	0.36	9,270,834
6. Standard Utility Allowance	1.14	0.07	1,701,624	8.50	0.28	7,138,108	3.80	0.35	8,839,732
7. PA or GA	2.99	0.17	4,463,032	4.54	0.15	3,812,589	3.55	0.32	8,275,621
8. Unemployment Compensation	1.13	0.06	1,686,697	7.61	0.25	6,390,705	3.47	0.31	8,077,402
9. Arithmetic Computation	3.76	0.22	5,612,376	1.25	0.04	1,049,721	2.85	0.26	6,662,097
10. Contributions/Income in Kind	1.86	0.11	2,791,266	3.83	0.13	3,216,347	2.57	0.24	6,007,613
11. Self-Employment	1.91	0.11	2,850,967	.85	0.03	713,810	1.53	0.14	3,564,777
12. Bank Accounts or Cash	2.35	0.14	3,507,734				1.50	0.14	3,507,734
13. Combined Gross Income	1.69	0.10	2,522,583				1.08	0.10	2,522,583
14. Citizenship and Alienage	.44	0.03	656,767	2.11	0.07	1,771,930	1.04	0.10	2,428,697
15. Age and School Attendance	1.32	0.08	1,970,302				.84	0.08	1,970,302
16. Other Government Benefits	1.23	0.07	1,835,963				.79	0.07	1,835,963
17. Standard Deduction				1.38	0.05	1,158,892	.50	0.05	1,158,892
18. Child or Dependant Care				.78	0.02	671,829	.28	0.02	671,829
19. Other Unearned Income	.07	(d)	104,485	.45	0.01	377,899	.21	0.01	482,384
20. Other Basic Program Req.	.29	0.02	417,943				.18	0.02	417,943
21. Other									
Total	100.00	5.83	149,265,306	100.00	3.28	83,977,737	100.00	9.11	233,243,043

(a) Percent of Total Misspent Dollars (b) Payment Error Rate (c) Projected Annual Cost (d) Less than 0.01

Wages and Salaries continues to be the leading cause of all dollar errors, but decreased from the FFY 1995 level of 37.68 percent to 35.09 percent. Most of the decreases in Wages and Salaries errors were in the Ineligibles and Overissuances category where they declined from 49.23 percent to 44.44 percent. Shelter Deductions have reversed a previous decline to become the second largest cause of Ineligible and Overissuance errors. Household Composition and Shelter Deduction errors continue to be the largest causes of Underissuances.

CHART 3

FOOD STAMP ERROR CONCENTRATIONS--CASE COUNTS  
October 1995 - September 1996

<u>Error Element</u>	<u>Cases</u>	<u>Percentage</u>
1. Shelter Deduction	101	28.53
2. Wages and Salaries	81	22.58
3. Household Composition	38	10.73
4. Standard Utility Allowance	36	10.17
5. Contributions/Income in Kind	22	6.21
6. PA or GA	14	3.95
7. Unemployment Compensation	12	3.39
8. RSDI Benefits	10	2.82
9. Self-Employment	10	2.82
10. Arithmetic Computation	5	1.41
11. Vehicles	4	1.13
12. Citizenship and Alienage	3	.85
13. Other Government Benefits	3	.85
14. Other Unearned Income	3	.85
15. Age and School Attendance	2	.56
16. Bank Accounts or Cash	2	.56
17. Child and Dependent Care	2	.56
18. Combined Gross Income	2	.56
19. Standard Deduction	2	.56
20. Other	1	.28
21. Other Basic Program Req.	1	.28
Total	354	100.00%

As indicated in Chart 2, Wages and Salaries, Shelter Deduction, and Household Composition comprise the three largest elements of errors (a combined 67.10 percent of total *dollar* errors). Chart 3 demonstrates that these three elements comprise 61.84 percent of total *case* errors. Shelter Deduction errors were the leading cause of *case* errors.

CHART 4

FOOD STAMP CASE AND DOLLAR ERRORS  
AGENCY/CLIENT DISTRIBUTIONS

<u>Period</u>	<u>Ineligibles and Overissuances</u>			<u>Underissuances</u>			<u>Ineligibles, Overissuances And Underissuances</u>		
	<u>Case Errors</u>	<u>Dollar Errors</u>	<u>Case Errors</u>	<u>Dollar Errors</u>	<u>Case Errors</u>	<u>Dollar Errors</u>	<u>Case Errors</u>	<u>Dollar Error</u>	
October 1994 - September 1995									
Agency	64.9	57.5	93.7	92.5	77.9	69.7			
Client	35.1	42.5	6.3	7.5	22.1	30.3			
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
October 1995 - September 1996									
Agency	66.0	56.5	92.2	89.0	78.2	68.2			
Client	34.0	43.5	7.8	11.0	21.8	31.8			
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			

Despite remaining relatively unchanged in total case errors, agency-caused dollar errors declined from the FFY 1995 level of 69.7 percent to 68.2 percent. Conversely, the percentage of client-caused dollar errors increased from 30.3 to 31.8 percent during this period.

CHART 5

FOOD STAMP CASE AND DOLLAR ERRORS  
 AGENCY/CLIENT-CAUSED DISTRIBUTIONS  
 October 1995- September 1996

<u>Causes</u>	<u>Ineligibles and Overissuances</u>		<u>Underissuances</u>		<u>Ineligibles, Overissuances And Underissuances</u>	
	<u>Case Errors</u>	<u>Dollar Errors</u>	<u>Case Errors</u>	<u>Dollar Errors</u>	<u>Case Errors</u>	<u>Dollar Error</u>
<u>Agency Errors:</u>						
Failure to Take Action.....	45.2	38.9	69.3	59.5	56.5	46.3
Policy Incorrectly Applied.....	16.5	12.4	17.5	23.4	16.9	16.4
Arithmetic Computation.....	1.1	2.6	0.6	0.2	0.9	1.8
Other Agency Errors.....	3.2	2.5	4.8	5.9	3.9	3.7
Total.....	66.0	56.4	92.2	89.0	78.2	68.2
<u>Client Errors:</u>						
Information Not Reported.....	29.8	41.7	6.0	7.9	18.7	29.5
Reported Information Not Correct	4.2	1.9	1.8	3.1	3.1	2.3
Total.....	34.0	43.6	7.8	11.0	21.8	31.8
	100.0	100.0	100.0	100.0	100.0	100.0

Agency-caused Failure to Take Action remains the largest cause of dollar errors, though they have declined from the FFY 1995 level of 48.9 percent to 46.3 percent. Also, client-caused errors due to Information Not Reported decreased from the FFY 1995 level of 37.5 percent to 29.5 percent.

CHART 6

FOOD STAMP NEGATIVE ERROR RATE  
ORIGINAL STATE FINDINGS

<u>Period</u>	<u>Error Rate</u>
October 1985 - September 1986	5.96
October 1986 - September 1987	9.30
October 1987 - September 1988	12.57
October 1988 - September 1989*	NA
October 1989 - September 1990	8.30
October 1990 - September 1991	6.60
October 1991 - September 1992	5.30
October 1992 - September 1993	3.80
October 1993 - September 1994	3.31
October 1994 - September 1995	3.53
October 1995 - September 1996**	NA

\* There is no negative error rate for FFY 1989. The negative error rate sample was discontinued during that year because California, represented by San Diego County, participated in a nationwide study of FS negative actions.

\*\* Not available at time of this report.

The negative error rate is determined by reviewing a sample of cases with negative actions (denials or discontinuances) for the correctness of that negative action. Prior to January 1988, the negative error rate was not sufficiently documented to provide accurate information. Since January 1988, Review and Evaluation Bureau (REB) analysts have attempted to make collateral contacts in all QC sample cases with FS denials or discontinuances which are not supported by case record documentation. These collateral contacts serve to validate some county negative actions which would previously have been cited as errors. The Integrated Review and Improvement Study (IRIS) has included a negative action component since FFY 1984. This component includes case review, systems review and staff interviews to identify erroneous or insufficiently documented negative actions. The QC collateral contact requirement and the IRIS reviews of negative actions have increased county awareness of negative action documentation standards and contributed to a reduced negative action error rate.

The FS Negative Error Rate for FFY 1996 is expected to be available at the end of May 1997. This information will be provided at that time. The trend over the past five years has been a decrease in negative action errors, except for a slight increase in FFY 1995.

## 2. OVERVIEW OF STATE ACCURACY IMPROVEMENT ACTIVITIES

California's FS program is administered by county welfare departments (CWDs) under the guidance of the California Department of Social Services (CDSS).

Outcome Based Welfare (OBW) consultant staff of the OIB perform a wide variety of consultation and county outcome related activities. The activities include error rate performance monitoring, technical assistance to counties to improve outcomes, documentation of successful county practices, and special studies.

The following is an overview of some of the ongoing accuracy improvement activities occurring at the state level.

Income and Eligibility Verification System (IEVS): The IEVS supplies the counties with a broad range of automated verification methods. The IEVS verifies eligibility information before an application is approved by checking the MediCal Eligibility System (MEDS) for current participation. The IEVS represents a merger of three major computer match networks. The three systems comprising IEVS include: the Integrated Earnings Clearance/Fraud Detection System which identifies unreported wages and duplicate aid for Aid to Families with Dependent Children (AFDC), FS and Supplemental Security Income/State Supplementary Program (SSI/SSP) recipients; the Payment Verification System which supplies information on recipients who receive or will receive Retirement Survivors Disability Insurance (RSDI), Unemployment Insurance or Disability Insurance; and the Asset Match System which compares the welfare recipient file against the State Franchise Tax Board's interest and dividend file and other unearned income.

In 1990, the information available to counties in wage and asset matching was expanded to include nationwide wages and investment income. Nationwide wage data is sent to counties monthly from the Beneficiary Earnings Exchange Record (BEER). Information from the Internal Revenue Service (IRS) asset matches, including information on out-of-state investments, is provided to counties annually.

In December 1991, the IEVS added the Wire-to-Wire Third Party Verification system to verify applicant information. Verification includes social security number validation and benefit information for Title II (RSDI) and Title XVI (SSI/SSP) via computer link between California and the Social Security Administration, Central Operations, in Baltimore, Maryland.

In addition to the above matches, CDSS has added the Systematic Alien Verification for Entitlement (SAVE) and the Homeless Assistance Program Indicator (HAPI) systems. SAVE verifies the immigration status of aliens who apply for and/or are recipients of AFDC and FS. HAPI creates a data base of Homeless Assistance recipients to prevent duplicate or incorrect Homeless Assistance payments.

The IEVS currently provides AFDC and FS disqualification information on applicants, and a statewide property search can be done by the Fraud Bureau on a case by case basis. The Fraud Bureau also conducts periodic reviews of IEVS operations in counties, and holds quarterly meetings with county IEVS coordinators. At these IEVS "user" meetings, changes to IEVS are discussed and IEVS problems are identified. Counties provide a valuable source of input to improve IEVS.

In July of 1993, legislation passed that provided 100 percent state funding for county costs for IEVS processing. The legislation required counties to submit an IEVS operating plan for CDSS approval prior to the release of 100 percent funding. To date, 56 counties representing over 98 percent of California's welfare caseload are participating.

Fraud Early Detection (FRED) Program: California has long had a formal pre-eligibility fraud detection program, called FRED. The FRED Program provides for investigative personnel to be located in close proximity to intake units, to provide expeditious investigative service to those units. The program is separate and parallel to the intake function and does not interfere with normal intake procedures or delay the timely payment of benefits.

Prior to 1991, slightly less than half of California's counties participated in this program. In July of 1991, legislation passed that eliminated the county share of costs. This legislation required counties to submit an operating plan for CDSS approval prior to the release of 100 percent funding. To date, 51 counties representing over 97 percent of California's welfare caseload are participating.

Since implementation of the 100 percent funding provision, FRED reviews have resulted in over 40,000 applications per year being denied or reduced in benefits. This results in an estimated annual savings of \$65 million in erroneous FS issuances.

Review and Evaluation Bureau (REB): The REB's goal is to reduce errors in the quality control review process by more accurately identifying errors in the FS federal sample.

Federal rereview of 399 cases in FFY 1995, resulted in only three valid differences between the original state review finding and the federal rereview finding. So far in FFY 1996, 381 cases have been rereviewed by FCS (94 percent of the 408 cases to be rereviewed for the year) and there are again only three valid differences.

In addition, REB field staff follow up with the 19 largest counties to assure that there is a process in place to correct FS QC error cases and that corrections are made timely and accurately.

The Program and Procedures Unit (PPSU) Clearinghouse Library: The OIB encourages counties to share information and ideas. A Clearinghouse of corrective action products has been operational since 1987. The contents of the Clearinghouse represents the efforts of counties and other entities to design work products that emphasize error prevention and reduction, as well as corrective action. These products have been effective tools for the counties that designed them and may be beneficial to other counties as well. Some products were developed in regional corrective action workshops attended by county, state, and federal staff. In addition, the Clearinghouse serves as a vehicle for the distribution of products developed as a result of state level corrective action.

Products in the Clearinghouse are continually updated. They are classified under the following headings: AFDC/Temporary Assistance for Needy Families Eligibility, CA-7 Processing, Case Review/Supervisory Review, Caseload Management, Choosing the Right Corrective Action, Client Caused Errors, Corrective Action Committees, Evaluation, Error-Prone Profiles/Identifying High Risk Factors, FS Eligibility, Fraud Prevention, Problem Solving, Time Management, Training, and Worker Performance Standards/Employee Expectations.

Clearinghouse products are available to counties upon request. OBW consultants are familiar with these products and often suggest appropriate items to counties. Future plans are to expand the scope of the Clearinghouse Library to include the "best practices" employed by counties for a host of case management functions. OBW consultants will be able to access these best practices from an electronic file and share them in a more timely manner with counties, thereby contributing to a host of improved outcomes including FS error rates.

Regional Eligibility Worker and Eligibility Supervisor Conferences: OBW staff work jointly with county staff to develop and present eligibility worker and eligibility supervisor conferences. The first regional eligibility worker conference took place in July 1988. Since that time, numerous eligibility worker and supervisor conferences have occurred at various locations throughout the state. Currently, four regional eligibility worker conferences occur each year. The primary objectives of these conferences are to heighten participant awareness of corrective action issues and to enhance networking among welfare professionals. All have been very successful.

### 3. STATUS OF PRIOR CORRECTIVE ACTIONS

This part of the Plan presents information on the progress of previously implemented corrective actions. They are:

- S-42-QC          Review of Action on Reported Changes
- S-44-QC          QC Error Case Correction Project
- S-46-QC          Large Eight Error Reduction Project
- S-47-QC          Corrective Action Follow-Up on IRIS Identified Issues
- S-48-QC          The Committee for Inter-Agency Action

## REVIEW OF ACTION ON REPORTED CHANGES

### Description

Failure to act on reported changes has persisted as the most frequently occurring statewide FS trend for many review periods. While California's Agency Caused Failure to Take Action dollar error rate has been declining for the last three FFYs, more action is warranted.

<u>FFY</u>	<u>DOLLAR ERROR RATE</u>
FFY 1994 (October 1993 - September 1994)	4.75%
FFY 1995 (October 1994 - September 1995)	4.64%
FFY 1996 (October 1995 - September 1996)	4.22%

### Activities from FFY 1990 to Present

Many approaches have been tried to reduce errors associated with failing to act on reported changes. One such change which began in FFY 1989 included modifying the IRIS reviews so that the systems that pertain to the continuing function were evaluated for weakness and improvements. In the last few years, the large and medium counties were provided extra attention and assistance through the IRIS reviews in diagnosing the causes and possible solutions to Failure to Take Action FS errors. OBW consultant staff of the OIB will work with counties on improving FS error rate performance outcomes.

### Status

We will be soliciting information from counties specific to their Failure to Act errors beginning with their February 1997 CAPs. This information will enable us to evaluate the effectiveness of the IRIS reviews in this area and further raise the level of consciousness regarding this persistent error source.

S-44-QC

## QC ERROR CASE CORRECTION PROJECT

### Description

IRIS conducted in FFY 1989 revealed that many counties were not correcting error cases identified in Federal Sample QC reviews as required.

### Activities in FFY 1996 and Ongoing

Ensuring that specific case errors identified in the federal QC sample reviews (CPS reviews) are corrected is being accomplished by REB as part of their review of the 19 largest counties and through the IRIS reviews for the remaining 39 counties. When errors are found not to have been corrected, the case error is monitored until documentation is provided that correction was completed. The monitoring mechanisms in the IRIS and QC reviews will ensure that correction of case errors in the Federal QC sample reviews are completed.

### Status

Reporting of this CAP item will be discontinued with this report.

## LARGE COUNTY ERROR REDUCTION PROJECT

### Description

The FCS, the CDSS, and the seven largest caseload counties collaborated on a project to reduce the FS program error rate below the federal tolerance level. In December 1992, the Large County Error Reduction Project was developed. The seven original counties were: Alameda, Fresno, Los Angeles, Orange, Sacramento, San Bernardino and San Diego. Since then, Riverside and Santa Clara have been added to this group to include the largest nine counties in California.

The FCS, the CDSS, and the original seven counties committed to short term and long term error reduction actions. The California final FFY 1993 error rate was 9.06 percent. This was the first time since Underissuances were added to the final federal CPER that California has achieved a single digit FS payment error rate. This corrective action was expanded to include an error reduction module in the IRIS reviews beginning with the 1994 FFY for all large counties scheduled for review.

### Activities in FFY 1996 to Present

In addition to the large counties, all medium sized counties that were subject to an IRIS during FFY 1996 had an error reduction review as part of the IRIS. Effective FFY 1997, the IRIS review function was restructured and more than half of the staff redirected to serve as Outcome Consultants to CWDs. Consulting activities include continuing to assist counties with FS error reduction efforts.

### Status

Because of the ongoing nature of this effort, the reporting of this activity as a CAP item will be discontinued.

## CORRECTIVE ACTION FOLLOW-UP ON IRIS IDENTIFIED ISSUES

### Description

Effective with the FFY 1991 IRIS reviews, OIB implemented a formal process and a special form called a Program Improvement Response (PIR) for counties to use in documenting IRIS corrective action. PIRs are due 60 days from the date of the IRIS report. OIB reviews PIRs for appropriateness and monitors for closure. Monitoring involves phone discussions, procedures review and on site county visits dependent on the severity of the problems identified and the availability of OIB resources. All open PIRs are routinely monitored at every subsequent IRIS. Repeat findings are examined carefully and if the situation involves a clear refusal to comply, the matter is referred to the appropriate program bureau for further action.

### Activities in FFY 1996 to Present

The last few years have been devoted to the reduction of repeat IRIS findings. Recent analysis of repeat findings for FFY 1995 and 1996 indicate that these repeat findings seldom occur due to a county's failure to implement the corrective action set forth in the IRIS report. Usually, other factors have come into play since the prior IRIS, i.e., new staff, new regulations, etc. Many times the problem recurs in a different county office from the original office reviewed by the IRIS team. All repeat findings are given careful consideration to ensure appropriate follow up activity with the county.

### Status

The PIR process is a continuing procedure which has proven to be an effective tool for limiting recurring problems. Reporting of this CAP item will be discontinued in future reports.

## THE COMMITTEE FOR INTER-AGENCY ACTION

### Description

In January 1995, the OIB initiated a project involving Fresno, Kern and Tulare counties for the purpose of reducing their FS error rates. These counties experienced higher than normal FS error rates for several review periods.

OIB's review of the corrective action plans submitted by these three neighboring counties revealed that they were experiencing similar error problems and trends. OIB also felt that these counties had valuable corrective action strategies to share with each other.

The counties named this effort The Committee for Inter-Agency Action. Its goal was to improve the corrective action processes and QC error rates in Fresno, Kern and Tulare counties through information sharing, mutual support and task development. The project committee consisted of the corrective action liaison from each of the counties (corrective action liaison staff are also the quality control managers of each county) and OIB staff.

The committee decided that it would review and share the counties' error problems and previously implemented corrective actions. It was also decided that the counties would share effective quality control or error reduction strategies not currently being used by, but of interest to, the other counties.

Seasonal farmworker cases were found to have a high frequency of errors and were focussed upon for group analysis. County and OIB staff were able to clarify policies and share procedures resulting in a reduction in seasonal farmworker related errors.

Each county shared key error reduction or strategies. For Fresno, a major strategy was the promotion of accountability from eligibility workers to program managers and the aggressive development and implementation of pertinent training and technical products. For Tulare, a major strength was the use of a personal computer program to maintain quality control error data for the department and each of its five district offices. This cumulative data program was invaluable to the county's Stamp Out Problems committee (a corrective action committee) for determining the source of errors and deciding what errors to focus corrective action on.

### Status

The preliminary evaluation of The Committee for Inter-Agency Action indicated that the sharing of information on strategies to error reduction was beneficial to all three counties. However, as of February 1996, the counties terminated the project due to a stated lack of time and resources.



**PART II**

**COUNTY LEVEL ACCURACY IMPROVEMENT**

## 1. INDIVIDUAL COUNTY ERROR RATES

Under the FFY 1996 QC Restructuring, the CPS was designed to provide the CDSS and counties with an enhanced QC system, an expanded data base for performance outcome measurement, and the mechanism through which CDSS can comply with statutory requirements. The CPS provides valid performance data on the largest 19 counties that are responsible for approximately 90 percent of the state's FS expenditures. The CPER resulting from the 19 individual county QC reviews for both the FFY 1995 and 1996 review periods are shown on Chart 7.

Case review samples for the individual county QC reviews (except Los Angeles) were randomly selected by the counties using the same master file which is used to draw the federal QC Sample. Because of its large caseload size, error rates for Los Angeles County are derived from its portion of the federal sample.

CHART 7

FOOD STAMP PAYMENT ERROR RATES FOR INELIGIBLES AND OVERISSUANCES,  
UNDERISSUANCES, AND CUMULATIVE--FEDERAL FISCAL YEAR 1995 AND 1996

<u>County</u>	<u>Cumulative FFY 1995</u>	<u>Cumulative FFY 1996</u>	<u>Change</u>
Alameda	10.9	12.8	1.9
Contra Costa	8.9	6.1	-2.7
Fresno	11.5	12.0	0.5
Kern	6.0	15.3	9.3
Los Angeles	12.7	10.2	- 2.5
Merced	12.8	14.6	1.8
Monterey	9.9	9.5	- 0.4
Orange	5.2	6.6	1.4
Riverside	5.8	6.6	0.8
Sacramento	5.2	6.7	1.5
San Bernardino	8.6	8.6	0.0
San Diego	9.2	6.9	- 2.3
San Francisco	10.8	10.2	- 0.6
San Joaquin	ISAWS	12.9	0.0
Santa Clara	6.9	8.2	1.3
Solano	4.7	9.6	4.9
Stanislaus	8.6	8.7	0.1
Tulare	7.2	6.8	- 0.4
Ventura	7.2	6.5	- 0.6

The most dramatic *increase* was in Kern county, which has been experiencing various complications dealing with Interim Statewide Automated Welfare System (ISAWS) implementation. The most significant *decreases* came in Los Angeles and Contra Costa counties with very active corrective action processes.

## 2. OVERVIEW OF COUNTY ACCURACY IMPROVEMENT ACTIVITIES

As a major error reduction activity, California counties prepare and submit CAPs to OIB twice a year. Plans are due February 1 and August 1 of each year. These CAPs constitute a major part of California's error reduction efforts. We believe that because county staff are directly involved in program administration at the local level, they are best able to analyze local problems and focus available resources for effective error reduction. Information on specific actions initiated by counties can be obtained by reviewing the CAPs submitted by the individual counties.

Each county will continue to be assigned an OBW consultant who will continue to evaluate and respond to each CAP. The consultants will also discuss FS error rates with their counties through telephone contacts and in-person visits as the OIB Accuracy Improvement (AIM) analysts did in the past. Because many effective error reduction activities occur at the county level, the role of the OBW consultant is twofold: to help counties maintain their commitment to accuracy improvement, and to assist them in acquiring the problem solving skills and tools necessary to develop effective corrective action.

Most of the 19 counties shown on Chart 7 had active corrective action committees during the October 1995 through September 1996 review period. A significant part of AIM activities in these counties involves the work of the corrective action committees, which typically meet monthly to plan and evaluate corrective actions. Another major activity of these committees is to generate and maintain staff motivation for error reduction and error prevention. The OBW consultants will continue to attend these meetings to assist committees with their corrective action efforts.

To further assist county staff in developing the necessary skills to reduce errors, OBW consultants work jointly with county staff to present problem solving training workshops. The QC/AIM Awareness Workshop is one such forum that will be continued. It is a half-day workshop for eligibility staff which provides them with information about the QC process in their county and the skills they can use to solve problems at the unit level.

In addition to participating in training to hone their problem solving skills, staff of California counties also enhance their error reduction capabilities by working together in regional networking groups. Participation allows counties to gain information, discuss mutual concerns, and share solutions to common problems. Currently there are seven networking groups throughout the State. They include: the Bay Area QC/Corrective Action Committee; the Northern County Corrective Action Committee; the Southern Counties AFDC Task Force; the Southern Counties QC/Corrective Action Subcommittee; the Southern Counties FS Task Force; the Large Counties Error Reduction Conference; and the Mid Ten Error Reduction Conference. (In FFY 1996 the Valley Nine Network was discontinued for lack of county resources.) OBW consultants will continue to attend these meetings to share information and lend their support.

County line staff also network through participation in regional conferences. Four regional conferences are planned into FFY 1997. They are: the Bay Area QC/Corrective Action Committee; the Northern County Corrective Action Committee; the Southern Counties QC/Corrective Action Subcommittee; and the Southern Counties FS Task Force.

The OIB Clearinghouse is another vehicle for sharing error reduction ideas. Corrective action products and tools are described in the Clearinghouse Catalog and are made available to counties and other organizations upon request.

In summary, California's error reduction efforts are broad based. The common thread running through all these activities is an emphasis on assisting county staff in acquiring the skills, tools and motivation required for accurate casework.